

Haringey Council

Agenda item:

[No.]

Procurement Committee

On 29 April 2008

Report Title: **A Further Update on the Procurement of an ICT Managed Services Provider for the Building Schools for the Future Programme**

Forward Plan reference number (if applicable): **FP71**

Report of: **Director of Children and Young People's Service**

Wards(s) affected: **N/A**

Report for: **Information**

1. Purpose

1.1 This report is the fourth in a series which seeks to update Members on the procurement procedure currently underway and progress made to date in the procurement of an ICT (Information and Communications Technology) Managed Service Provider (MSP) for the Building Schools for the Future (BSF) Programme.

2. Introduction by Cabinet Member

- 2.1 Securing an ICT Managed Service Provider in Haringey secondary schools is central to the Council's vision to achieve transformation in teaching and learning. The process of procuring this service has included extensive dialogue with schools and is a regular item on key stakeholder groups.
- 2.2 Good progress is being made through the competitive dialogue procurement process to shape a service that meets the needs of the Council and its schools. I fully support this process and the progress that is being made and recommend the report to the Procurement Committee.

3. Recommendations

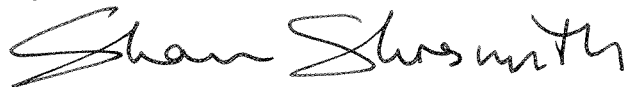
- 3.1 That Members note the purpose of this procurement is to let a contract to a single supplier to provide a solution to supply and install all the required ICT equipment, software and networks for secondary schools in the borough and provide maintenance and associated services for a minimum period of 5 years.
- 3.2 That Members note that this is the fourth of five reports (four for information and the

fifth for award of contract) for presentation at Procurement Committee to be scheduled at key stages of this procurement to keep Members informed of progress.

3.3 That Members note the procurement procedure currently underway and progress made to date as outlined in this report.

3.4 That Members note that upon conclusion of the procurement procedure a further report seeking Members' agreement to award the contract for an ICT MSP for the BSF programme with a total contract value of approximately £26 million for a 5 year contract term to the preferred bidder will be made.

Report Authorised by:



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4. Chief Financial Officer Comments

4.1 The Chief Financial Officer has been consulted on this report and has no specific comments to make other than to note that the costs of the ICT managed services provider is budgeted for within the overall BSF programme.

5. Head of Legal Services Comments

5.1 The contract to which this report relates has been advertised in the Official Journal of the EU, using the competitive dialogue procedure – a relatively new procedure introduced under the Public Contracts Regulations 2006 for use in the procurement of complex contracts, which allows a procuring authority enter into dialogue with interested contractors prior to awarding a contract.

5.2 As the report states on the 1 April 2008 the BSF Board has granted authority to close the Dialogue stage subject to approval by Partnerships for Schools. Once Dialogue has been closed the remaining two bidders will be invited to submit final bids.

5.3 The Head of Legal Services has light-touch monitored the work of the BST team's external legal advisers (Eversheds) in respect of this procurement and confirms that the procurement process undertaken in respect of the contract to dated has been in

compliance with the provisions of the Public Contracts Regulations 2006.

6. Head of Procurement Comments

6.1 6.1 The Head of Procurement notes the process and progress made so far in this procurement and supports the recommendations outlined in paragraph 3.

6.2 The Competitive Dialogue process is a relatively new process, and lengthier than other procurement processes hitherto used by Haringey. It is therefore prudent that officers inform members as to the progress made and that they advise of the expected timescales and desired outcomes.

7. Local Government (Access to Information) Act 1985

7.1 The following background documents were used in the preparation of this report:
None

8. Strategic Implications

8.1 The BSF programme aims to enable every local authority in England to rebuild, renew or renovate every secondary school and Haringey Council has secured approximately £194 million of funding to spend on maintaining and improving their secondary school buildings and to build a new Sixth Form Centre, the funding available for ICT investment is approximately £26 million.

8.2 The outcome of this procurement intends to provide the Council with an innovative managed services solution to promote a 21st century ICT-enabled learning environment in Haringey's secondary schools (including the Sixth Form Centre).

9. Background

9.1 The BSF programme was launched by the Department for Education and Skills (DfES), now the Department for Children, Schools and Families (DCSF), in February 2003 and is the biggest single government investment in improving school buildings for over 50 years. The aim is to enable every local authority in England to rebuild, renew or renovate every secondary school over a 10-15 year period to bring the learning environment for Haringey's young people aged 11-19 into the 21st century.

9.2 Partnerships for Schools (PfS) is a Non-Departmental Public Body (NDPB), wholly owned by the DCSF but jointly funded by DCSF and Partnerships UK. PfS provide a range of specialists to work with local authorities to help develop the education vision and ensure that the BSF programme is delivered in the most cost-effective way for the taxpayer.

9.3 The investment is in the design and construction of school buildings and also in ICT to support the government's educational reform agenda. Haringey Council is a wave 2

and 4 local authority and has secured approximately £194 million of funding (including contributions from the DfES, Learning and Skills Council and other associated funds), to spend on maintaining and improving their secondary school buildings and to build a new Sixth Form Centre, the funding available for ICT investment is approximately £26 million.

9.4 The procurement of the construction and ICT elements are being managed as separate procurement projects under the BSF programme. This report aims to inform Members of the Procurement Committee of the procurement procedure for the ICT element only.

10. Summary of the Procurement Procedure reported to previous Procurement Committees

10.1 This is the fourth of five reports (four for information and the fifth for award of contract) for presentation at Procurement Committee scheduled at key stages of the procurement procedure to keep Members informed of progress. The first report was presented to Procurement Committee on 13 March 2007 [Minute No. PROC44.], the second on 27 June 2007 [Minute No. PROC11.] and the third on 27 November 2007 [Minute No. PROC35]

10.2 The procurement is being conducted using the competitive dialogue procedure and commenced in December 2006 with the advertisement of the Contract Notice in the Official Journal of the European Union (OJEU).

10.3 Evaluation of suppliers' Pre-Qualification Questionnaires (PQQs) resulted in a long-list of 6 bidders to Invite To Participate in Dialogue (ITPD) ; the first of two stages in the Dialogue phase of the procurement which commenced in March 2007.

10.4 Evaluation of bidders' written responses to the ITPD and presentations resulted in a recommendation for a short-list of three bidders to be Invited To Continue Dialogue (ITCD); the second stage in the Dialogue phase of the procurement.

10.5 The recommendation for the long-list and short-list of bidders was approved by the BSF Programme Board on 13 March and 22 May respectively.

10.6 Initial Bids were invited from short-listed suppliers in September 2008, which were received on 12 October 2007.

11. Progress Made in the Procurement Procedure since the last report

11.1 At the time of the last report, 3 short-listed bidders had submitted Initial Bids and detailed evaluation and feedback to suppliers was being undertaken.

11.2 In December 2007, the short-list of 3 suppliers was reduced to the final 2 bidders who have continued dialogue with the Council. This phase of dialogue has included a series of meetings to

11.2.1 Refine the technical solutions being offered to ensure that they meet the requirements of Haringey's schools.

11.2.2 Conduct detailed analysis of key components of the solutions (the Managed Learning Environment, for example)

11.2.3 Ensure that proposals are affordable

11.2.4 Agree the contractual terms that each bidder is offering

11.3 During February and March 2008, Secondary Heads have been engaged through a series of consultation meetings with the BSF team to ensure an understanding of the solutions, the impact at school level of the new service and the contractual terms.

11.4 Short-listed suppliers have also presented overviews of the solutions and approach to Secondary Heads

11.5 Authority to close the dialogue and to invite final bids was agreed by the BSF Board on 1st April 2008, subject to approval by Partnerships for Schools. A Case conference with Partnerships for Schools has been arranged for 9th April 2008.

11.6 Once Dialogue has been closed, the remaining two bidders will be invited to submit Final Bids, which will be evaluated by the BSF ICT Group and the Core Group representing schools. Part of this evaluation will include schools representatives attending reference sites to see the systems proposed in live operation.

11.7 Evaluation of final bids is planned to conclude by mid May 2008 resulting in a Preferred Bidder being identified. The final report in June 2008 will present the evaluation conclusions and seek approval from the Procurement Committee for the award of contract to the Preferred Bidder.

12. Financial Implications

12.1 There are no direct financial implications of this report.

13. Legal Implications

13.1 There are no direct legal implications of this report.

14. Equalities Implications

14.1 There are no direct equalities implications of this report.

15. Consultation

15.1 Consultation continues throughout the procurement process with stakeholders in the BSF programme, including but not limited to representatives from Haringey secondary schools, the Council, Partnerships for Schools, Eversheds (the Council's retained external Legal advisors) and Members of the Procurement Committee.

15.2 The Council's Heads of Procurement and Legal Services have also been consulted on a regular basis.

15.3 Further consultation with Members of the Procurement Committee will continue with the presentation of a fifth and final report (anticipated to be in June 2008) to recommend the award of contract to the Preferred Bidder.

16. Conclusion

- 16.1 The BSF programme aims to enable every local authority in England to rebuild, renew or renovate every secondary school and Haringey Council has secured approximately £194 million of funding to spend on maintaining and improving their secondary school buildings and to build a new Sixth Form Centre, the funding available for ICT investment is approximately £26 million.
- 16.2 This report seeks to update Members of the Procurement Committee of the procurement procedure currently underway for the ICT element of the BSF Programme and progress made to date.
- 16.3 The outcome of this procurement intends to provide the Council with an innovative managed services solution to promote a 21st century ICT-enabled learning environment in Haringey's secondary schools (including the Sixth Form Centre).

17. Use of Appendices / Tables / Photographs

- 17.1 None

